UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue, Suite 900
Seattle, Washington 98101-3140

NOV 29 2017

OFFICE OF
COMPLIANCE AND ENFORCEMENT

Reply To: OCE-101

CERTIFIED MAIL RETURN RECEIPT REQUESTED

NOTICE OF DEFICIENCY

Mr. Daniel H Yoder
Vice President Manufacturing
U.S. Oil & Refining Co
PO Box 2255
Tacoma, Washington 98401

Re: U.S. Oil & Refining – Tacoma Facility
Spill Prevention Control and Countermeasure (SPCC) Inspection
Facility Response Plan (FRP) Inspection

Dear Mr. Yoder:

The U.S. Environmental Protection Agency (EPA) is in the process of notifying facilities of unresolved deficiencies discovered during past inspections. On August 19, 2015, EPA representatives inspected U.S. Oil and Refining ("Facility") located in Tacoma, Washington. It is our understanding that you are the owner and/or operator of this facility. Pursuant to the federal Oil Pollution Prevention regulations, the Facility must have a certified Spill Prevention, Control and Countermeasure (SPCC) plan in accordance with the requirements of 40 C.F.R. § 112.7 and 40 C.F.R. § 112.3(a), must maintain a copy of the plan on site (40 C.F.R. § 112.3(e)), and must fully implement the plan
(40 C.F.R. § 112.3(a)).

A summary of deficiency findings of the Oil Pollution Prevention regulations found at your facility is enclosed with this letter. EPA Region 10 received U.S. Oil and Refining's follow-up correspondence, dated October 30, 2015, on November 9, 2015. This correspondence was reviewed and the deficiency findings enclosure reflects this review. The EPA reserves the right to revisit your facility at some time in the future and encourages you to address the remaining deficiencies. Any questions regarding this matter should be directed to Kate Spaulding, EPA Region 10 SPCC Enforcement Officer, at
(206) 553-5429.

Sincerely,

Jeff KenKnight, Manager
Water and Wetlands Enforcement Unit

Enclosure

cc w/enc: Mr. Rob Walls
Washington Department of Ecology

EPA INSPECTION REVIEW U.S. Oil and Refining – Tacoma Facility Tacoma, Washington 98421				
SPCC RULE REFERENCE	**PLAN**	**FIELD**	**INSPECTION DEFICIENCY DESCRIPTION (8/19/2015)**	**FACILITY FOLLOW-UP**
112.3(d) PE Certification	X	N/A	Plan is certified by a registered Professional Engineer (PE) and includes statements that the PE attests: • Plan is prepared in accordance with good engineering practice including consideration of applicable industry standards and the requirements of 40 CFR part 112 • Plan is adequate for the facility *"The engineer's 4/8/2013 certification on page iii of the SPCC Plan does not specifically state that the plan has been prepared in accordance with the requirements of 40 CFR 112. Additionally, the certification on page iii states that "except for the item(s) below, the Plan is adequate for the Refinery." The pages following this statement were examined by the inspector, but it was not clear what the engineer's referenced exceptions are. The exceptions should be clearly stated. If this is a typical statement included by default by this engineer, and there are no exceptions in this facility's SPCC Plan, then a statement to that effect should be included."*	Appears resolved following the 10/30/2015 correspondence received by EPA on 11/9/2015.
112.5(b) Amendment of SPCC Plan	X	N/A	Five year Plan review and evaluation documented? *"The SPCC Plan review log was not sufficient to verify that required 5 year reviews have taken place. A plan amendment log was found on page iv, but there is a gap after the year 1999 until the year 2014. There appear to be five missing amendments in this log – based on the lettering scheme used in the plan, amendments F, G, H, I, and J are missing from the log."*	Appears resolved following the 10/30/2015 correspondence received by EPA on 11/9/2015.
112.7(b) Plan Prediction	X	N/A	**Plan includes a prediction of the direction, rate of flow, and total quantity of oil that could be discharged for each type of major equipment failure where experience indicates a reasonable potential for equipment failure.** ***"The spill discharge prediction in Table 10-1 (page 10-4) of the SPCC Plan does not include a predicted spill discharge flow rate or spill discharge total release quantity for the Process Area Piping and Vessels portion of the facility. There is no spill discharge prediction in Table 10-1 for oil filled operating equipment (e.g. transformers, hydraulics, etc)."***	**Issue outstanding regarding facility oil filled operating equipment.**
112.7(c) Appropriate Containment	X		**Appropriate containment and/or diversionary structures or equipment are provided to prevent a discharge as described in §112.1(b), except as provided in §112.7(k) of this section for certain qualified operational equipment.** The entire containment system, including walls and floors, are capable of containing oil and are constructed to prevent escape of a discharge from the containment system before cleanup occurs. The method, design, and capacity for secondary containment address the typical failure mode and the most likely quantity of oil that would be discharged. • Mobile/portable containers	**Issue outstanding regarding facility oil filled operating equipment.**

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SPCC RULE REFERENCE	**PLAN**	**FIELD**	**INSPECTION DEFICIENCY DESCRIPTION (8/19/2015)**	**FACILITY FOLLOW-UP**
			• Oil-filled operational equipment (as defined in 112.2) ***"The SPCC Plan discusses oil-filled operating equipment (OFOE) in Section 7.18, but the plan does not actually invoke any claim that the equipment is qualified OFOE (QOFOE) per 40 CFR 112.7(k). Instead, the SPCC Plan states that most transformers are located within the facility's stormwater capture and treatment zone, but the plan also indicates that some transformers are located outside this capture area and doesn't describe adequate general secondary containment for these transformers. Transformers need general containment, or they need to be declared as QOFOE and managed as such, or they need to have a secondary containment impracticability determination."***	
112.7(e) Inspections and Records		X	Record of inspections or tests signed by supervisor or inspector. *"The facility has not yet provided inspection and testing records requested prior to the facility inspection for Tank 8503 and 300001.* *The facility has also not yet provided inspection and testing records requested following the facility inspection for Tank 20001, which was observed in the field to have metal delamination and corrosion on the container's double bottom. Once these records are supplied, the inspectors can revisit this deficiency."*	Appears resolved following the 10/30/2015 correspondence received by EPA on 11/9/2015
112.8(c)(3) Drainage	X		Drainage of uncontaminated rainwater from diked areas into a storm drain or open watercourse: ◦ Bypass valve opened and resealed under responsible supervision. ◦ Adequate records of drainage are kept; for example, records required under permits issued in accordance with 40 CFR §§122.41(j)(2) and (m)(3). *"Did not find a statement that drainage valves have to be opened under responsible supervision. Did not find that drainage events from diked areas have to be documented. Note that while facility drainage is normally diverted to an on-site waste-water treatment* *plant, it is possible for diked areas to be manually drained to a watercourse."*	Appears resolved following the 10/30/2015 correspondence received by EPA on 11/9/2015
112.8(c)(6) Integrity Testing	X	X	◦ The frequency and type of testing and inspections are documented, are in accordance with industry standards and take into account the container size, configuration and design. ◦ Comparison records of aboveground container integrity testing are maintained. ◦ Records of all inspections and tests maintained. *"The facility tank inspection program (described in Section 6) adopts API 653, but does not provide a specific inspection and testing schedule for each bulk storage container. The plan lists*	Appears resolved following the 10/30/2015 correspondence received by EPA on 11/9/2015

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			general inspection timeframes (e.g. < or equal to 20 years for internal inspections), but it needs to be specific to each container and needs to include External Inspection intervals as well. The plan delegates authority to determine actual intervals to the facility's Chief Inspector. *The plan includes additional (page 6-2) tank inspection schedules based on risk and capacity that appear to have been copied from STI SP001, but SP001 is not referenced in the plan. If STI SP001 is to be used for shop built and/or smaller field erected containers, then it should be specifically discussed, and each applicable container should have its own specific inspection and testing schedule described in the plan.* *Alternatively, the SPCC Plan is permitted to adopt another industry inspection standard that is appropriate, or develop their own standard that is appropriate, or a hybrid standard that is appropriate, however, further details would need to be provided in the plan to demonstrate that the selected standard is appropriate.* *The facility indicated that they would send the inspectors the facility's more detailed maintenance program manual that is referenced in the SPCC Plan (it was not available for review during the inspection), which may satisfy these deficiencies. However, it has not yet been received."*	
112.8(c)(10) Discharges		X	Visible discharges which result in a loss of oil from the container, including but not limited to seams, gaskets, piping, pumps, valves, rivets, and bolts are promptly corrected and oil in diked areas is promptly removed.	Appears resolved following the 10/30/2015 correspondence received by EPA on 11/9/2015.
112.8(c)(11) Mobile or Portable Containers	X		Mobile or portable containers positioned to prevent a discharge as described in §112.1(b). Mobile or portable containers (excluding mobile refuelers and other non-transportation-related tank trucks) have secondary containment with sufficient capacity to contain the largest single compartment or container and sufficient freeboard to contain precipitation. *"No discussion in the SPCC plan about positioning mobile/portable containers within containment to prevent a discharge. The plan does list portable containers (barrels) in Appendix I."*	Appears resolved following the 10/30/2015 correspondence received by EPA on 11/9/2015